Foreign exchange earning and expenditure of private companies

*1050. SHRI N. E. BALARAM:
SHRI GURUDAS DAS GUPTA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the foreign exchange expenditure by the Private companies has been more than the foreign exchange earnings of these companies since the year 1978-79;

(b) if so, what are the details of the foreign exchange sanctioned to the top 400 private companies and foreign exchange earned year-wise since 1978-79 then; and

(c) what is Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c) Companies in India make remittances in foreign exchange for various purposes such as dividends, royalties, technical know-how fees, import of capital goods, employment of foreign technicians, training of Indians abroad etc. Under the Companies Act, companies are statutorily required to publish information on their foreign exchange remittances as part of their balance sheets. However, information on the pattern asked for has not been compiled by Government for 400 top companies.

Financial irregularities noticed in the accounts of New Bank of India

1051. SHRI GURUDAS DAS GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether "Financial irregularities" while preparing balance sheet for the current year were detected in the New Bank of India;

(b) if so, what are the details thereof;

(c) whether Government are aware that top most executives involved in this case are still in their posts and the action has been taken against some other officers who were not concerned with this case;

(d) if so, what are the details thereof; and

(e) what steps are being taken to have proper investigation into the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (e) Reserve Bank of India (RBI) has reported that after finalisation of Annual Balance Sheet and Profit & Loss Account for the year 1989-90, New Bank of India had noticed that an item of expenditure was erroneously classified which distorted the profit figure earlier arrived at by the Bank. As advised by RBI, New Bank of India has since redrawn its Balance Sheet and Profit & Loss Account for the year 1989-90. The Balance Sheet as certified by the Statutory Auditors of the Bank has been adopted by its Board of Directors. The Bank has also initiated disciplinary action against certain officials responsible for this accounting lapse.

Export target for 1990-91

1052. KUMARI ALIA: Will the Minister of COMMERCE be pleased to state:

(a) the export target fixed for 1990-91 and Government's strategy to achieve these targets;

(b) the estimated contribution from export of agricultural commodities; and

(c) the steps proposed to be taken to increase the share of agriculture based industries in the total export?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU): (a) The export target for 1990-91 is fixed at Rs. 36,000 crores. The key elements of the export strategy for 1990-91 include: availability of raw materials, components and capital goods to exporters at World

prices; strengthening the export incentive schemes like CCS, Duty drawback, IPRS and concessionary interest rates; Supportive exchange rate and demand management policies; improvement in infrastructural facilities; simplification of procedures; etc.

(b) In 1990-91 the export of agricultural commodities including plantations and marine products is estimated to contribute about 15.88 per sent of overall export target.

(c) The steps being taken to increase the agricultural exports include new rationalised rates introduced for REP, import of capital goods at concessional rate of 20 per cent custom duty, Export Packaging Credit, easing of air cargo, sea and rail transport problems, participation in international fairs/expositions, grant of CCS, etc.

CRPF Assistance sought for the security of income-tax department officials

1053. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether the assistance of Central Reserve Police Force (CRPF) is being sought for the security of Income-Tax Department officials during raids;

(b) whether Government are aware of recent incidents of assault on raiding tax officials; and

(c) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) Yes, Sir.

(b) Yes, Sir.

(c) A serious incident of violence took place during the course of search operations at Muzaffarnagar and Bijnore (U.P.) in September, 1989, where the Income-tax officials participating in search operations were violently attached resulting in serious injuries to some of them. Besides, a large number of officials were also manhandled. Other incidents of violence also took palace at Bombay, Itawa and Bharatpur during 1989. During 1990 one incident of assault on Income-tax officials took place at Bairagad near Bhopal.

RBI Instructions for working capital assistance to small sector

1054. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has recently issued instructions to all banks to deal with the proposal for working capital assistance to the small scale sector within a time frame;

(b) if so, what are the details of the instructions issued by RBI in this regard: and

(c) to what extent the small scale units in the country would be benefited thereby?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c) RBI has reported that guidelines have been issued to commercial banks laying down, *Inter-alia*, that direct loan applications under the priority sector including SSI Sector upto a credit limit of Rs. 25,000/- should be disposed of within a fortnight and those for over Rs. 25,000/- within 8 to 9 weeks. These guidelines are aimed at enforcing a strict time discipline in dealing with all priority sector credit proposals including those received from the SSI Sector. The guidelines also envisage issue of acknowledgement with date of receipt of applications and evolving an effective system for monitoring the timely disposal of cases.